Ministry of Labour
Ontario
Industrial Relations Division
Office of Collective Bargaining Information

ONTARIO COLLECTIVE BARGAINING REVIEW - 1991

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1991

This report reviews collective bargaining developments in Ontario in 1991. It describes the economic climate in which collective bargaining took place, and presents the following information: extent of bargaining and stages at which settlements were reached; duration of negotiations and term of agreements; key negotiations; wage changes in major agreements, and incidence of work stoppages.

ECONOMIC CLIMATE

Collective bargaining in Ontario during 1991 occurred in a climate of continuing economic weakness. In 1991, Ontario's real gross domestic product declined by 3.1% following a 1.2% drop in 1990. On an annual basis, real growth in Ontario declined by 8.1% in the first quarter, expanded by 6.0% and 0.3% in the second and third quarters respectively, and then declined by 1.7% in the fourth quarter.

The slowdown in the economy was reflected in the increased annual average unemployment rate for 1991, which rose from 6.3% in 1990 to 9.6% in 1991.

Ontario's inflation rate fell to 4.6% in 1991, down slightly from 4.8% in 1990 and 5.8% in 1989. During the first and second quarters, the inflation rate averaged 5.3%, dropping to 4.9% and 3.2% in the third and fourth quarters respectively.

COLLECTIVE BARGAINING SETTLEMENTS

The records of the Office of Collective Bargaining Information indicate that 4,204 agreements, covering 633,176 employees, were ratified in 1991. These agreements represent 44% of the 9,629 agreements on file in the Office's Collective Agreements Library.

Of the 4,204 agreements ratified, renewal agreements accounted for 3,819 or 91%, and covered 97% of all employees; 313 or 7% were first agreements, and the remaining 72 were extensions of existing agreements.

In terms of employees covered, the 1991 bargaining scene was concentrated in education and related services, health and welfare services, and federal, provincial and local governments. In each of these industries, 50,000 or more employees concluded collective agreements. (See Table 1.)

STAGE OF SETTLEMENT

The vast majority of the agreements, 96%, covering 85% of all employees, were settled without a work stoppage.

Forty-two percent of the agreements were settled through direct bargaining; 40% were settled by the parties with the assistance of a conciliation officer, mediator, or fact finder; and 6% were settled at arbitration. (See Table 2.)

TERM OF AGREEMENTS

Of the new agreements negotiated or arbitrated, 54%, covering 52% of all employees affected by 1991 settlements, were for a 24-month duration; 19%, covering 15% of employees, were for a 36-month term; while 17%, covering 24% of employees, were for a 12-month term. Fifty-two agreements, covering 5,434 employees, were for terms of over 36 months. (See Table 3.)

DURATION OF NEGOTIATIONS

Information on duration of negotiations is available for collective agreements covering 200 or more employees. The 555 collective agreements ratified in 1991 that covered 200 or more Ontario employees averaged 5.1 months to negotiate. Private sector agreements, which accounted for 34% of the total, were reached, on average, in 4.2 months; this compares with 5.6 months, on average, for public sector agreements. Fifteen private sector agreements and 58 public sector agreements took more than 9 months to negotiate. (See Table 4.)

TABLE 1

NUMBER OF COLLECTIVE AGREEMENTS RATIFIED IN 1991 AND EMPLOYEES COVERED, BY INDUSTRY

INDUSTRY	AGREEMENTS		EMPLOYEES COVERED	
	NUMBER	PERCENT	NUMBER	PERCENT
ALL INDUSTRIES	4,204	100.00	633,176	100.00
MANUFACTURING	1,169	27.80	111,521	17.61
FOOD, BEVERAGES	172	4.09	21,215	3.35
TOBACCO	4	0.09	463	0.07
RUBBER, PLASTICS	63	1.49	5,870	0.92
LEATHER	12	0.28	3,021	0.47
TEXTILE	25	0.59	1,915	0.30
KNITTING MILLS	3	0.07	528	0.08
CLOTHING	24	0.57	2,464	0.38
WOOD	47	1.11	3,443	0.54
FURNITURE, FIXTURES	28	0.66	1,748	0.27
PAPER	68	1.61	9,759	1.54
PRINTING, PUBLISHING	97	2.30	2,720	0.42
PRIMARY METALS	47	1.11	6,154	0.97
FABRICATED METALS	169	4.01	9,595	1.51
MACHINERY	74	1.76	6,609	1.04
TRANSPORTATION EQUIPMENT	72	1.71	12,197	1.92
ELECTRICAL PRODUCTS	63	1.49	12,563	1.98
NON-METALLIC MINERALS	100	2.37	4,883	0.77
PETROLEUM, COAL	3	0.07	78	0.01
CHEMICALS	68	1.61	4,080	0.64
OTHER MANUFACTURING	30	0.71	2,216	0.34
NON-MANUFACTURING, EXCLUDING CONSTRUCTION	2,921	71.14	510,775	80.66
FORESTRY	15	0.35	2,884	0.45
MINING, QUARRYING	34	0.80	10,581	1.67
TRANSPORTATION	177	4.21	27,857	4.39
STORAGE	20	0.47	479	0.07
COMMUNICATIONS	28	0.66	25,057	3.95
ELECTRIC, GAS, WATER	130	3.09	7,799	1.23
WHOLESALE TRADE	135	3.21	4,515	0.71
RETAIL TRADE	121	2.87	16,680	2.63
FINANCE	16	0.38	770	0.12
REAL ESTATE, INSURANCE AGENCIES	36	0.85	1,595	0.25
EDUCATION, RELATED SERVICES	412	9.80	114,510	18.08
HEALTH, WELFARE SERVICES	1,063	25.28	94,318	14.89
RECREATIONAL SERVICES	37	0.88	1,163	0.18
MANAGEMENT SERVICES	38	0.90	2,755	0.43
PERSONAL SERVICES	26	0.61	1,898	0.29
ACCOMMODATION, FOOD SERVICES	119	2.83	6,066	0.95
OTHER SERVICES	151	3.59	3,490	0.55
FEDERAL GOVERNMENT	55	1.30	78,965	12.47
PROVINCIAL GOVERNMENT	14	0.33	56,893	8.98
LOCAL GOVERNMENT	364	8.65	52,500	8.29
CONSTRUCTION	44	1.04	10,880	1.71

TABLE 2

NUMBER OF COLLECTIVE AGREEMENTS SETTLED IN 1991 AND EMPLOYEES COVERED, BY SETTLEMENT STAGE

SETTLEMENT STAGE	*AGREEMENTS*		*EMPLOYEES COVERED*	
	NUMBER	*PERCENT*	*NUMBER*	*PERCENT*
ALL AGREEMENTS	**4,204**	**100.00**	**633,176**	**100.00**
DIRECT BARGAINING	1,760	41.46	225,074	35.54
CONCILIATION	744	17.69	58,450	9.23
POST CONCILIATION BARGAINING	262	6.23	41,479	6.55
MEDIATION	948	22.54	160,096	25.28
POST MEDIATION BARGAINING	65	1.54	18,858	2.97
FACT FINDER AND POST FACT FINDER	10	0.23	8,767	1.38
COMPULSORY ARBITRATION	221	5.25	17,360	2.74
WORK STOPPAGE	156	3.71	92,357	14.58
FIRST AGREEMENT	11	0.26	508	0.08
OTHER	27	0.64	10,227	1.61

TABLE 3

NUMBER OF COLLECTIVE AGREEMENTS RATIFIED IN 1991 AND EMPLOYEES COVERED, BY TERM OF AGREEMENT

TERM OF AGREEMENT	*AGREEMENTS*		*EMPLOYEES COVERED*	
	NUMBER	*PERCENT*	*NUMBER*	*PERCENT*
ALL AGREEMENTS	**4,204**	**100.00**	**633,176**	**100.00**
LESS THAN 12 MONTHS	37	0.88	3,587	0.56
12 MONTHS	734	17.45	150,891	23.83
13 TO 18 MONTHS	73	1.73	5,668	0.89
19 TO 23 MONTHS	81	1.92	5,867	0.92
24 MONTHS	2,278	54.18	331,917	52.42
25 TO 35 MONTHS	142	3.37	33,497	5.29
36 MONTHS	807	19.19	96,315	15.21
OVER 36 MONTHS	52	1.23	5,434	0.85

TABLE 4

DURATION OF NEGOTIATIONS OF COLLECTIVE AGREEMENTS
COVERING 200 OR MORE ONTARIO EMPLOYEES, RATIFIED IN 1991
BY SECTOR

DURATION OF NEGOTIATIONS	TOTAL		PRIVATE SECTOR		PUBLIC SECTOR	
	AGRTS	EMPLS	AGRTS	EMPLS	AGRTS	EMPLS
TOTAL	555	451,971	190	107,545	365	344,426
1-3 MONTHS	258	159,221	113	62,437	145	96,784
4-6 MONTHS	174	203,949	56	36,557	118	167,392
7-9 MONTHS	50	46,562	6	2,608	44	43,954
10-12 MONTHS	44	27,229	9	3,333	35	23,896
13 MONTHS AND OVER	29	15,010	6	2,610	23	12,400
AVERAGE DURATION OF NEGOTIATIONS, IN MONTHS	5.1		4.2		5.6	

KEY SETTLEMENTS OF 1991

a) Public Sector

- *Ontario Public Service*

The Ontario government and 49,776 members of the Ontario Public Service Employees Union (OPSEU), in eight categories (Technical, Correctional, Maintenance, Administrative, General Operational, Institutional Care, Scientific/Professional Services Categories, Office Administration Group), and 2,350 employees of the Workers' Compensation Board, members of the Canadian Union of Public Employees, settled their respective agreements in 1991.

The average annual base wage increase of 5.8% (5.78% for the Scientific/Professional and Institutional Care Services Categories) negotiated for the one-year agreement was down from the 1990 average annual base wage increase of 6.83%.

The Ontario government and 4,476 employees of the Ontario Provincial Police settled in 1991 for an average annual base wage increase of 5.5% for a one-year agreement, and the Provincial Schools Authority reached an agreement with its 250 employees for an average annual base wage increase of 6% for a one-year term.

In 1991, the Ontario government and OPSEU, following an historical pattern, negotiated working conditions and benefits separately from the various wage packages; the master working conditions and benefits agreement is renewed every three years, while the wage settlements are renewed annually.

In January 1992, the master working conditions and benefits package, which expired December 31, 1991, and the various collective agreements covering wages, which also expired December 31, 1991, were negotiated centrally. The joint bargaining resulted in an agreement, ratified in the first quarter of 1992, which saw improved job security and lower wage gains than in previous years. The two year agreement included wage increases of 1% and 2% on the average salary, effective January 1, 1992 and 1993, respectively. In addition, a cost of living allowance (COLA) will be operative during 1993.

• *Health Care*

The Ontario Hospital Association (OHA), which negotiates on behalf of up to 176 Ontario hospitals, and the Ontario Nurses' Association (ONA), the certified bargaining agent for approximately 43,000 full and part-time hospital nurses, reached a centrally-bargained, mediation-assisted settlement renewing 306 collective agreements. The two year agreement, which was ratified on March 22, 1991, is the second consecutive contract freely negotiated prior to the expiry of the existing contract.

The new agreement provides for scheduled increases on April 1, 1991, October 1, 1991, and April 1, 1992. During the term of the agreement, the range of the 9-year salary grid will be increased by freezing wages for the start and first years, and increasing the maximum rate (ninth level of the salary grid) by a total of 29.3%. When each classification on the grid is weighted by the number of employees, the average wage will increase by 16.9% over the life of the agreement which is equivalent to an average 8.1% per annum increase.

While the span between minimum and maximum wage levels is increased, nurses at all levels receive improved parenting leave, overtime, health and welfare benefits, shift and weekend premiums, responsibility and standby pay.

The agreement also includes a provision to submit the issue of layoff procedures to binding arbitration.

• *Treasury Board of Canada and Public Service Alliance*

Negotiations between the Treasury Board of Canada and the Public Service Alliance, representing approximately 62,000 employees, reached an impasse over the federal restraint programme announced by the Minister of Finance in his February 26, 1991 budget statement.

The primary goal of the plan is to limit federal public service wage increases, reduce the number of federal public sector workers and provide greater flexibility in contracting-out.

The Public Service Alliance walked out twice between September 9, 1991 and October 3, 1991 for a total of approximately two and a half weeks, primarily over the proposed federal restraint programme. The strike terminated when the Federal government passed the Public Sector Compensation Act on October 3, 1991.

The Act also extended all contracts for a two-year period and froze wage rates for the first year of the control period while limiting wage increases to 3% in the second year. In instances where contracts expired before February 26, 1991, the Act stipulates a wage increase of 4.2%. This increase will then be followed by the terms of the 24-month contract extension (no wage increases for the first 12-month period and 3% wage increases for the second 12-month period).

b) Private Sector

• *Mines and Primary Metal*

Inco Limited, the Western world's largest nickel producer, and the United Steelworkers of America, settled two 36-month renewal agreements, covering 6,376 employees located at Sudbury and Port Colborne.

The settlement, reached at the post-conciliation bargaining stage and ratified by the employees on May 31, 1991, narrowly averted a possible strike which could have had serious repercussions on the price of nickel. The employer's proposal to increase the base price at which the nickel bonus kicks in was a major issue in negotiations.

Terms of the settlement included an unchanged nickel price bonus, average wage increases (including projected cost-of-living allowances and nickel price bonus) totalling almost 22% over the 3-year term (or an average of 7% per year), improvements in shift premiums, vision/dental care, insurance, vacation, sick pay, and the pension plan.

Improvements to the pension plan include the following: A "30-and-out" provision which stipulates that employees with 30 or more years of service will be entitled to a minimum pension of $2,000 per month until age 65, with additional increases proportional to length of service. The basic pension benefit has been increased to $37.00 a month (previously $30.00) per year of service and the supplementary pension benefit has been increased to $24.00 a month (previously $18.00) per year of service.

NEGOTIATED WAGE INCREASES

The 555 agreements ratified in 1991 that covered 200 or more employees provide for an average annual increase of 4.9% in base wage rates. The increase declined from 6.5% in 1990, and 5.6% in 1989 but was up from 4.7% in 1988 and 3.9% in 1987. (See Table 5.)

TABLE 5

INCREASES NEGOTIATED IN MAJOR COLLECTIVE AGREEMENTS IN ONTARIO COMPARED TO THE CANADA CPI AND ONTARIO CPI, 1985-1991

YEAR	NEGOTIATED WAGES			CPI	
	AVERAGE ANNUAL % INCREASES			ANNUAL % INCREASE	
	ALL SECTORS	PRIVATE SECTOR	PUBLIC SECTOR	CANADA	ONTARIO
1985	4.1	2.6	5.0	4.0	4.4
1986	4.2	3.8	4.5	4.1	4.4
1987	3.9	2.9	4.0	4.4	5.1
1988	4.7	4.6	4.7	4.1	4.7
1989	5.6	4.9	5.8	5.0	5.9
1990	6.5	6.3	6.8	4.8	4.8
1991	4.9	4.6	5.0	5.6	4.6

CHART 1

NUMBER OF AGREEMENTS IN PUBLIC AND PRIVATE SECTORS BY SIZE OF AVERAGE ANNUAL INCREASE

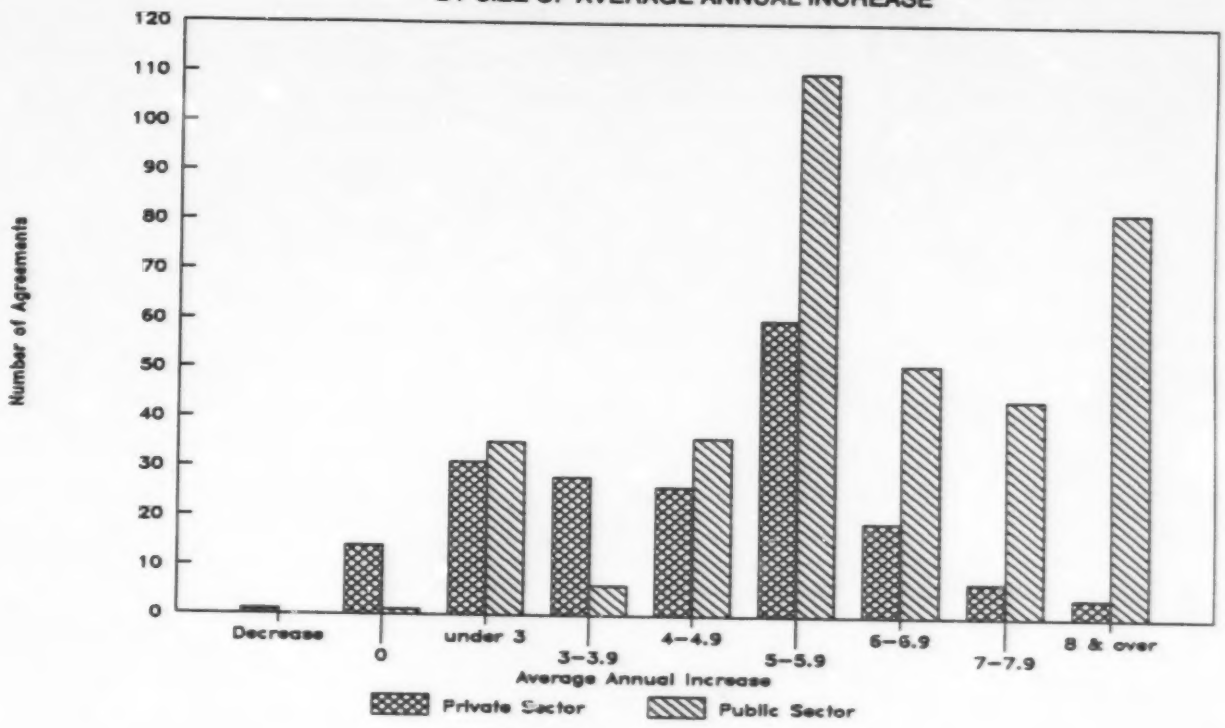
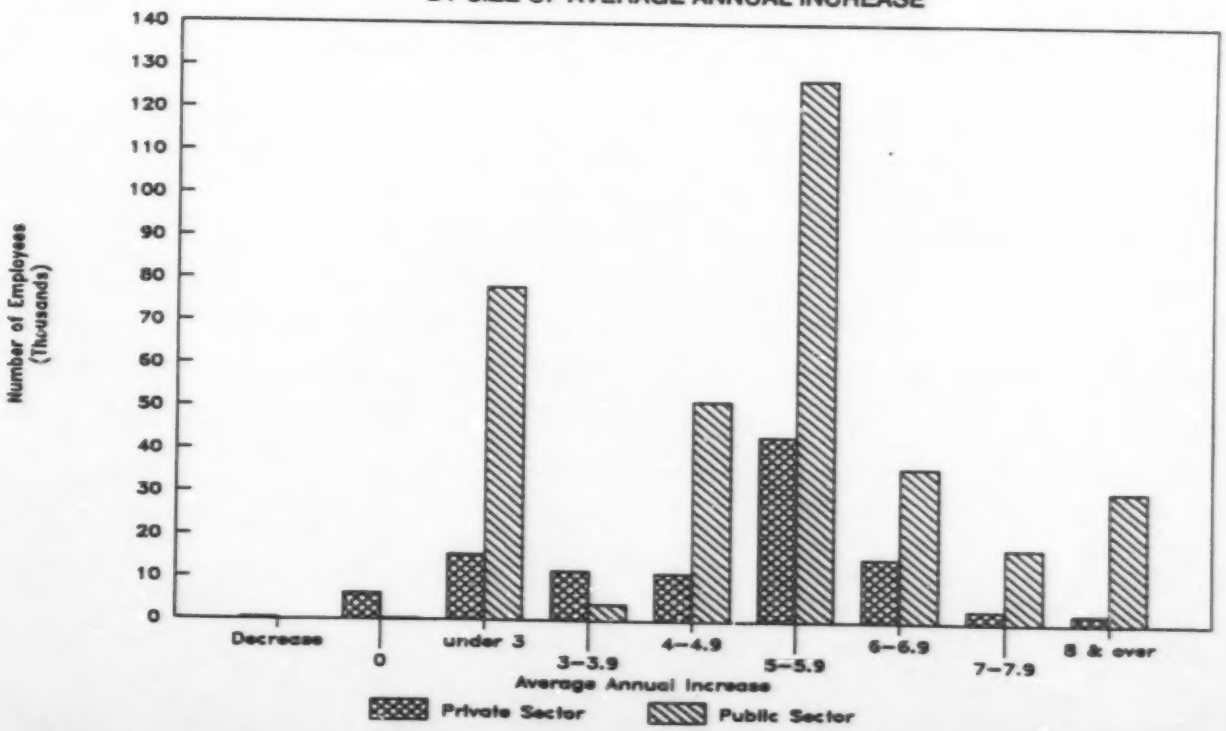


CHART 2

NUMBER OF EMPLOYEES COVERED IN PUBLIC AND PRIVATE SETTLEMENTS BY SIZE OF AVERAGE ANNUAL INCREASE



As depicted in Charts 1 and 2, in 1991, the most frequent wage increase for the private sector in terms of the number of agreements and the number of employees affected, was in the range of 5.0% to 5.9%, received by 40.0% of the employees covered by 31.6% of the agreements. In the public sector, 36.8% of employees covered by 30.1% of the agreements also received increases in the range of 5.0% to 5.9%.

Overall, annual wage increases for agreements covering 200 or more employees averaged 6.2% in the first quarter, 5.2% in the second, 4.8% in the third, and 3.1% in the fourth. (See Table 6.)

TABLE 6

AVERAGE ANNUAL INCREASES IN BASE WAGE RATES IN COLLECTIVE BARGAINING AGREEMENTS COVERING 200 OR MORE ONTARIO EMPLOYEES, RATIFIED IN 1991 BY SECTOR

	PERCENT INCREASE		
	ALL AGREEMENTS	PRIVATE SECTOR	PUBLIC SECTOR
FIRST QUARTER 1991	6.2	5.2	6.5
SECOND QUARTER 1991	5.2	4.2	5.5
THIRD QUARTER 1991	4.8	3.9	5.2
FOURTH QUARTER 1991	3.1	4.3	2.9
TOTAL 1991	4.9	4.6	5.0

Although varying by industry, annual wage increases for agreements with a Cost of Living Allowance (COLA) tended to be higher than agreements without COLA. The 124 agreements with COLA averaged 5.2%, while the 431 agreements without COLA averaged 4.8%.

For the manufacturing sector, the average annual increase was 4.4%; the non-manufacturing sector averaged 5.0% and the 14 construction agreements settled at below the overall average at 1.9%. (See Table 7.)

TABLE 7

AVERAGE ANNUAL INCREASES IN BASE WAGE RATES IN COLLECTIVE BARGAINING AGREEMENTS COVERING 200 OR MORE ONTARIO EMPLOYEES, RATIFIED IN 1991 BY INDUSTRY

	ALL AGREEMENTS			AGREEMENTS WITH COLA			AGREEMENTS WITHOUT COLA		
	AGMTS	EMPLS	PERCENT	AGMTS	EMPLS	PERCENT	AGMTS	EMPLS	PERCENT
ALL INDUSTRIES	555	451,971	4.9	124	109,161	5.2	431	342,810	4.8
MANUFACTURING	135	58,745	4.4	53	26,298	4.7	82	32,447	4.3
FOOD, BEVERAGE	30	14,359	4.6	9	3,611	5.1	21	10,748	4.5
TOBACCO PRODUCTS	1	400	5.4	.	.	.	1	400	5.4
RUBBER, PLASTICS	9	2,617	3.7	7	1,953	4.3	2	664	2.0
LEATHER	2	1,450	4.9	.	.	.	2	1,450	4.9
TEXTILE	3	612	3.8	.	.	.	3	612	3.8
KNITTING MILLS	1	600	2.2	.	.	.	1	600	2.2
CLOTHING	2	554	4.1	.	.	.	2	554	4.1
WOOD	4	1,209	3.3	2	669	3.4	2	540	3.3
FURNITURE, FIXTURES	2	583	4.5	.	.	.	2	583	4.5
PAPER	13	5,843	5.1	.	.	.	13	5,843	5.1
PRINTING, PUBLISHING	1	210	0.0	.	.	.	1	210	0.0
PRIMARY METALS	10	4,037	3.7	7	3,413	3.4	3	624	5.3
FABRICATED METALS	4	1,339	4.2	1	559	5.8	3	780	3.1
MACHINERY	9	3,497	3.2	3	1,884	3.7	6	1,613	2.7
TRANSPORTATION EQUIPMENT	18	7,241	5.1	9	4,771	5.4	9	2,550	4.5
ELECTRICAL PRODUCTS	16	10,135	4.8	11	8,028	5.2	5	2,107	3.3
NON-METALLIC MINERALS	5	1,815	3.5	3	1,210	3.0	2	605	4.4
CHEMICALS	4	1,441	3.7	1	200	5.8	3	1,241	3.3
OTHER MANUFACTURING	1	623	5.8	.	.	.	1	623	5.8
NON-MANUFACTURING EXCLUDING CONSTRUCTION	406	386,746	5.0	71	82,863	5.4	335	303,883	4.9
FORESTRY	5	2,090	5.5	.	.	.	5	2,090	5.5
MINING, QUARRYING	5	9,316	6.7	4	9,066	6.7	1	250	7.1
TRANSPORTATION	17	20,791	4.1	11	17,162	4.1	6	3,629	4.0
COMMUNICATIONS	9	18,527	5.1	4	14,612	5.6	5	3,915	3.2
ELECTRIC, GAS, WATER	9	3,295	5.5	5	1,950	5.5	4	1,345	5.4
WHOLESALE TRADE	2	1,030	3.6	1	230	5.6	1	800	3.1
RETAIL TRADE	8	11,081	5.4	1	1,350	5.2	7	9,731	5.4
FINANCE, INSURANCE CARRIERS	1	373	2.3	.	.	.	1	373	2.3
REAL ESTATE, INSURANCE AGENCIES	2	1,053	4.6	.	.	.	2	1,053	4.6
EDUCATION, RELATED SERVICES	135	96,551	5.8	44	38,243	5.6	91	58,308	6.0
HEALTH, WELFARE SERVICES	113	41,968	7.7	.	.	.	113	41,968	7.7
MANAGEMENT SERVICES	4	1,388	5.6	.	.	.	4	1,388	5.6
PERSONAL SERVICES	2	1,314	4.9	.	.	.	2	1,314	4.9
ACCOMMODATION, FOOD SERVICES	5	1,733	3.7	.	.	.	5	1,733	3.7
FEDERAL GOVERNMENT	33	75,938	1.7	.	.	.	33	75,938	1.7
PROVINCIAL GOVERNMENT	11	56,833	5.8	.	.	.	11	56,833	5.8
LOCAL GOVERNMENT	45	43,465	5.5	1	250	6.4	44	43,215	5.5
CONSTRUCTION	14	6,480	1.9	.	.	.	14	6,480	1.9

WORK STOPPAGES

Work stoppage data are not predictable from one year to another, since they are influenced by several factors, including which agreements expire or are ratified in any particular year and economic conditions.

Data on work stoppages indicate that in 1991 there were 153 work stoppages under Ontario jurisdiction compared with 218 in 1990. The 1991 stoppages involved 25,448 employees and resulted in 453,520 person days lost, compared with 1990 stoppages, which involved 81,022 employees and resulted in 2,957,640 person days lost. A comparison of 1991 and 1990 statistics show approximate decreases of 30% in the number of stoppages and 85% in the number of person days lost in 1991.

Only 0.04% of the estimated non-agricultural paid work time in Ontario was lost due to work stoppages in 1991 - the lowest level in 16 years. This represents a decline from 0.26% in 1990, and averaged 0.11% between 1983 and 1989. (See Chart 3 and Table 8.)

CHART 3

PERSON-DAYS LOST AS PERCENTAGE OF ESTIMATED WORKING TIME
1975-1991

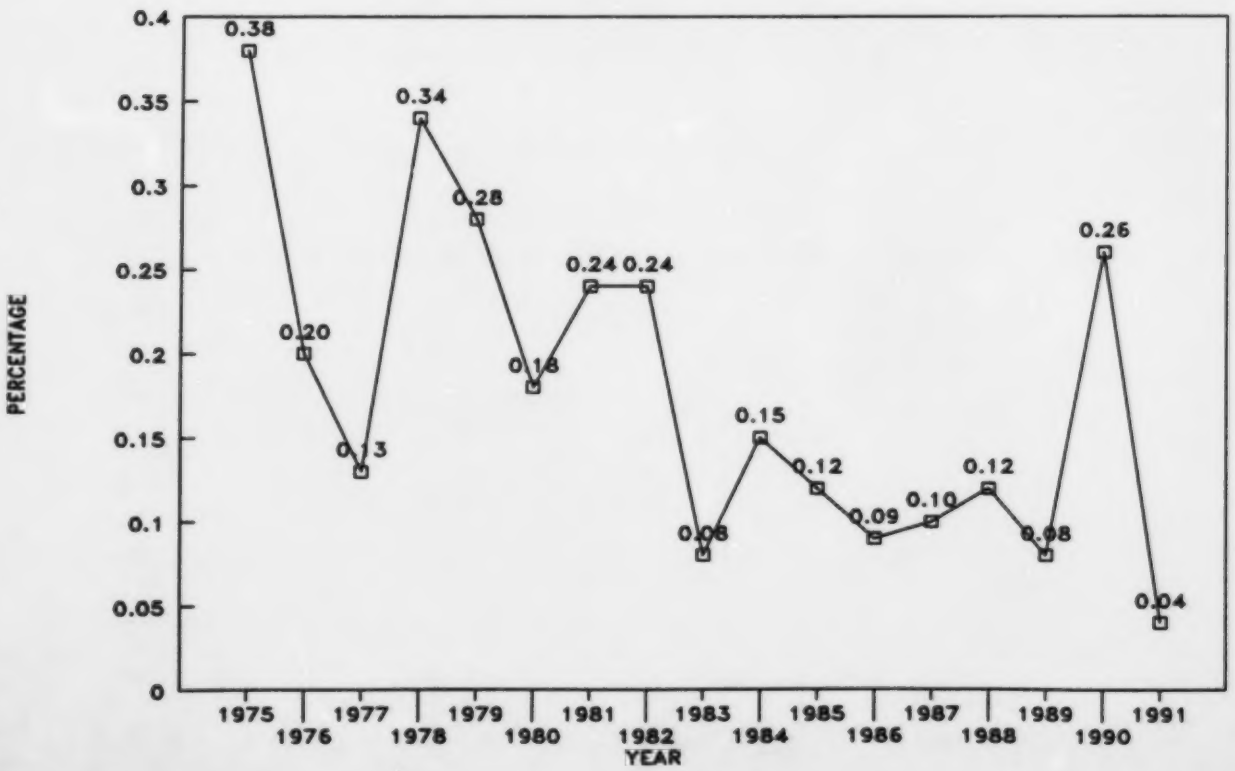


TABLE 8

WORK STOPPAGES UNDER ONTARIO JURISDICTION
1975-1991

YEAR	NUMBER OF WORK STOPPAGES	NUMBER OF EMPLOYEES INVOLVED	NUMBER OF EMPLOYEES PER WORK STOPPAGE	NUMBER OF PERSON-DAYS LOST	NUMBER OF PERSON-DAYS LOST PER EMPLOYEE INVOLVED	PERSON-DAYS LOST AS % OF ESTIMATED WORKING TIME
1975	359	124,773	348	3,175,270	25.4	0.38
1976	279	109,504	392	1,671,090	15.3	0.20
1977	243	83,250	343	1,109,039	13.3	0.13
1978	276	121,771	441	2,970,370	24.4	0.34
1979	308	106,629	346	2,529,050	23.7	0.28
1980	268	80,014	299	1,676,110	20.9	0.18
1981	243	74,731	308	2,258,620	30.2	0.24
1982	215	89,044	414	2,207,020	24.8	0.24
1983	200	29,957	150	760,050	25.4	0.08
1984	209	79,586	381	1,414,340	17.8	0.15
1985	302	72,723	241	1,232,170	16.9	0.12
1986	232	62,751	270	940,620	15.0	0.09
1987	246	64,339	262	1,108,870	17.2	0.10
1988	180	62,082	345	1,362,150	21.9	0.12
1989	190	45,679	240	868,630	19.0	0.08
1990	218	81,022	372	2,957,640	36.5	0.26
1991	153	25,448	166	453,520	17.8	0.04

OUTLOOK FOR 1992

Collective bargaining activity in 1992, compared to 1991, will be lighter in terms of the number of expiries but slightly heavier in terms of the number of employees affected. A total of 3,276 agreements, covering 560,695 employees are scheduled to expire during 1992, compared to 4,157 agreements covering 554,618 employees in 1991. Principal industry sectors in which contract talks will take place include construction, education and related services, retail trade, local government and health and welfare services.

According to the latest provincial Treasury forecast, Ontario's economy is expected to grow in real terms by 1.4% in 1992. The unemployment rate is predicted to drop slightly to 9.5% by the fourth quarter from the previous year's fourth quarter 9.6% level, and the inflation rate in 1992 is predicted to fall to 2.0% from 1991's level of 4.6%.

Wage data indicate that poor labour market conditions are exerting a continuing downward pressure on wage demands. Average annual increases declined throughout 1991, peaking at 6.2% in the first quarter and dropping to 3.1% in the fourth quarter. The overall average annual increase in base wage rates in 1991 fell to 4.9%, down from 1990's overall average annual increase of 6.5%. Based on preliminary data, settlements reached in the first quarter of 1992 dropped to an average annual increase of 2.6%.

The current weak economic climate and high unemployment are likely to influence workers to demand greater job security, including restrictions on layoffs; decreased inflation rates, trend-setting low wage settlements for provincial government employees and the federal government's legislated wage restraint programme may further moderate future wage settlements.